

BOARD OF MAYOR AND ALDERMEN

February 6, 2002

7:30 PM

Mayor Baines called the meeting to order.

The Clerk called the roll. There were fourteen Aldermen present.

Present: Aldermen Wihby, Gatsas, Guinta, Sysyn, Osborne, Pinard, O'Neil,
Lopez, Shea, DeVries, Garrity, Smith, Thibault, Forest

CONSENT AGENDA

Mayor Baines advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

Minutes Accepted

- A. Copies of minutes of meetings held on January 1, 2002 (two meetings);
January 8, 2002; January 14, 2002; and January 15, 2002 (two meetings).

Approve Under Supervision of the Department of Highways

- B. PSNH and Verizon New England, Inc. pole petition:
#11-929 (one pole [44/64Y] located on Laurel Street; and
#11-931 (one pole [3/205PB] located on Brown Avenue.

Informational to be Received and Filed

- C. Communication from Kevin Dillon, Airport Director, updating the Board on two agreements recently entered into on behalf of the Airport and the City as follows:
Five N Associates and Ballinger Properties (Nash) Agreement; and
FAA (ASR Site Excavation) Agreement.
- D. Copies of minutes of a meeting of the Airport Authority held on June 26, 2001 and August 31, 2001.
- E. Communication from Leo Bernier, City Clerk, advising that pursuant to Section 16.02 A of the new Zoning Ordinance, a fee of \$300.00 shall be required to be submitted with petitions for rezoning unless otherwise ordered by the Board.
- F. Copies of minutes of a meeting of the Mayor's Utility Coordinating Committee held on January 16, 2002.
- G. Communication from Jay Taylor, Economic Development Director, advising of MDC's ratification of the amendments made on January 8, 2002 to the Letter of Intent between MDC and Manchester Place, LLC for development of property at the intersection of Bridge and Elm Streets.

- H.** Communication from AT&T Broadband submitting the franchise fee payment for the 4th Quarter of 2001.

REPORTS OF COMMITTEES

COMMITTEE ON HUMAN RESOURCES/INSURANCE

- I.** Advising that it has approved a proposal from the Advisory Committee of the Manchester Retirement System for improvements to retirement benefits. The Committee recommends that the Board of Mayor and Aldermen endorse a bill amending Chapter 218, Law of 1973 of the State of New Hampshire (as enclosed herein) but ask that the bill carry an effective date of July 1, 2003.

COMMITTEE ON JOINT SCHOOL BUILDINGS

- J.** Advising that it has accepted the enclosed project summaries and architect's, engineer's and consultant's reports for the month of January relative to ADA Accessibility/School Elevators – Parker-Varney Elevator/ADA Improvements, NORESCO Performance Contract, Roofing Projects – Manchester Schools, McLaughlin Middle School Addition, and Central High H&V Phase 6 and Window Replacement and is submitting same to the Board for informational purposes.

HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN WIHBY, DULY SECONDED BY ALDERMAN SYSYN, IT WAS VOTED THAT THE CONSENT AGENDA BE APPROVED.

- 5.** Mayor Baines made the following nominations:

Safety Review Board

Alderman Betsi DeVries to fill the seat of the Aldermanic Representative.

Zoning Board of Adjustment

Steven J. Freeman to fill the vacant alternate seat, term to expire March 1, 2003.

Retirement Board

Thomas Lewry to succeed himself, term to expire January 1, 2005.
(Note: this is a Mayoral appointment...no Aldermanic confirmation is required.)

Board of Recount

Paul Alfano and John Durkin to succeed themselves, terms to expire October 1, 2004.

Trustees of Trust

Matthew Lapointe to succeed himself, term to expire January 2008.

Manchester Development Corporation

Elias Ashooh, Richard Charpentier, Richard Fradette and Charles Hungler
to succeed themselves, terms to expire March 11, 2005.

Reappointment of Alderman Sysyn and Alderman Thibault.

On motion of Alderman Wihby, duly seconded by Alderman Shea, it was voted to
suspend the rules and confirm all nominations as presented.

Alderman Thibault in reference to something that was brought up during the Public
Participation session stated somebody brought up the idea of the dollar surcharge that I
had presented to this Board about two and a half years ago and I would just like them to
know, your Honor, that we are working very diligently on that and that within a few
weeks or months they will hear something about it. Thank you.

3. Presentation by Ron Ludwig, Director of Parks, Recreation & Cemetery,
updating the Board on CIP Parks projects throughout the City.

Mr. Ludwig stated thank you for the time and the ability to be able to come forward
tonight. This won't take long, I promise, we'll try to keep this to 15 minutes. Just so
there is no confusion this is just to give the members of the Board, some of the new
members and also some of the members that have been here for awhile an opportunity to
just take a quick in-house bus tour of what we've been doing at Parks and Recreation
relative to various CIP projects over the last year. We don't come in very often and talk
about these things and it was our feeling that many members of the Board in many cases
are able to tour the City, look around and see everything that we're doing. So, what we
are going to speak to tonight is basically the 18 projects that the department administered
last year...they range in size from as small as \$100,000 to as much as \$1 million in some
cases. So, we'll move forward with the slide presentation and I just want to say upfront
that if it wasn't for the commitment of this Board, I suppose, and other previous Board's
that Manchester residents would no way be benefiting from the upgrades that you're
receiving here in the community. Manchester offers a significant amount of recreational
opportunities for the people that exist out there and I don't think that in all cases we're
aware of what's available and this presentation is to do that and I promise we'll be done
by quarter of eight and we're going to roll through this quickly and then say to you that if
anyone has any questions we'd be happy to answer them and even beyond that if you
have questions we'd be happy to meet with you at any point during the budget process,
but this is not about our new projects, this is about the projects that we've been working
on since April of 2001. Let me stop a minute here...to my right, just for anyone who
doesn't know, this is my Deputy Ron Johnson...he oversees many of these projects as I

do and in the rear, sitting in the audience is Chuck DePrima our Parks Planner...there's one other person I'd like to mention Ed Wojnilowicz who is our Enterprise Manager who's involved. Basically, the four of us oversee all the projects from contract administration to construction...we're the four people involved with the projects that you're going to see tonight.

Mr. Johnson stated I thought I'd just run down through the funding of how are projects are funded by the Board. The Parks Capital Improvement Program are larger park improvements...bond projects. The second the School Site and Recreational Facilities which are also bonded projects...a lot of those deal with the School District and some of the improvements that we've been doing at the athletic facilities and also the school sites. We also receive funding from the Community Development Block Grant Program which is administered through the Planning Department...HUD funding that does come to the City and is distributed to each of the departments. We've had several Community Development Block Grant projects. We also receive a little bit of city cash which is used to help match different grant projects and for smaller other projects that we have in the department and then the Recreational Enterprise fund is also part of our department's program where we bond for projects within the Enterprise at the various facilities. The Parks Improvement Program...this past year we received \$825,000 for four projects. They included Livingston Park where we received \$200,000 by the City to continue with the improvements at Livingston Park on the site and the trails around Dorrs Pond. At Prout Park we had a continuation of work that has been on-going there for three years...Piscataquog Park was a new project which we initiated last year and also Derryfield Park which was just recently voted by the Board in January to start some improvements at that park. Up at Livingston Park again \$200,000 for the city appropriation. We did receive a matching grant from the state from the Land & Water Conservation Fund for \$100,000 and also the Joseph Jason Trust, a local trust fund has contributed \$100,000 toward the project and that is essentially to rehab the trail system around Dorrs Pond and the waterfront area, right in front by the parking lot. This is the main entrance going across the dam from the parking lot, there will be new sidewalks, a trail system will be upgraded and then throughout the trail system around the pond we'll be replacing bridges, doing some culvert installation and repairing some of the erosion problems that have occurred at Livingston Park. This past year at Prout Park we were able to combine a couple of years worth of funding to really do a major portion of the improvements there to the athletic field...Prout Park is located just off of Young Street behind Jewett Street in east Manchester, it's an older neighborhood park about 5 acres had been used for the backstops and the dugouts were actually installed in the 1930's and had actually been in quite a bit of disrepair. We've renovated the athletic fields, put in new walkways, new lighting, new backstop and stairs...we took out all of the older dugout system that was around the facility and now it's a great facility. Not only for the

neighborhood but also used by the Manchester School District. Down at Piscataquog River Park we initiated our first major improvement of that park...we added a new soccer field, we've renovated an existing field and put in some sports lighting and then one of the major portions of the project was to reconstruct the main entrance by realigning the entry drive and putting in some new parking areas. This shot shows that it's later in the season, the new field that was installed and the new lights that were put up. Up at Derryfield Park the funds were just appropriated this past January, we have started the design/engineering. In fact, tomorrow night we're having a public meeting at Hillside Middle School at seven o'clock to get input from the neighbors and the residents of the new project. We're going to be focusing on new playground equipment at the park. This shot shows...near the Bridge Street side of the park where the tennis courts are we're proposing to relocate the playground in that area so it would be more visible to Bridge Street and improve the accessibility, so that project will be put out to bid later this spring with the construction once the weather improves and then it should be ready by the summer. We also did several school sites and recreational facility improvements this past year. We received a total appropriation of \$965,000 for three projects: the continuation of West/Memorial Field, Webster Elementary School and Northwest Elementary School were the three projects that we worked at. Over at West the main portion of this project was for the stadium buildings, we built a new press box and restroom and concession and ticket booth along Main Street, installed new sports lighting and the installation of a custom hillside bleacher system occurred at West High School. This is actually a shot of one of the big events, this was a pep rally in September for West High School showing the new artificial field, the new bleacher system and it's just prior to the building's going up. This next shot will show the buildings that were...they're approximately 95% complete...in the spring just some final painting needs to be done and that facility will be open for the upcoming year. The other School Site Improvements Projects we worked on this year were final site improvements, the second phases both at Webster Elementary School where we did some landscaping, irrigation was installed and some loose site amenities (i.e., walkways, new flagpole and fencing)...and over at Northwest Elementary again the front of the school, the last phase of that project to improve the entry plaza, landscaping and site amenities and these are a few shots up at Webster School...the new walkways...we took out the steps that were the approach to the building to make the walkways accessible up to the new playground and last year we had done work on the North Bay Street side of the school. So, this completed the work at Webster and over at Northwest Elementary the front entry plaza was reconstructed. There was a lot of traffic, a problem area with the front of the school, they had originally had some turf in that area and it was hard to maintain, so we used this new street print system, it's actually asphalt that's imprinted to look like brick and it really helped to improve the entry coming into the school building at Northwest Elementary. Our Community Development Block Grant Program...again, these are federal funds that are earmarked for specific target areas

in the City. We receiving funding for three projects: Kalivas Park which is located directly behind the new Verizon Wireless Arena on Chestnut Street; Enright Park which is located on Merrimack and Lincoln; and then Beech Street playground which is just opposite the school on Beech Street. At Kalivas Park we actually used two-year's worth of funding, we created a new central plaza to recreate the Amoskeag lighting standards were brought back into the park, new benches, landscaping and we're currently working with the members of the Manchester Greek community and their Rededication Committee to rededicate the park which is going to be on Saturday, March 23rd at 1:00 PM. They're having a rededication of Kalivas Park and this shot is taken from Lake Avenue and Chestnut Street looking into the park, the new entrance into Kalivas Park. Over at Enright Park...it's a smaller neighborhood park, it's approximately an acre in size. We redid the playground, basketball courts and landscaping and this is taken from the corner of Merrimack and Lincoln...new play equipment...again, we worked with the neighbors, Alderman Sysyn attended the community meeting and worked with the neighbors to kind of work on some of the issues of lighting was added...that was one of the problems there and then incorporating that new playground into the park. Over at Beech Street School, the school itself uses the playground across at Sheridan Emmett Park and we received funding to put in new playground equipment, fencing, playground courts and landscaping and this is a shot of the grand-opening which was held this past fall for Beech Street School. They have a couple of different nodes where they have playground equipment and a large open area for the game courts. We did receive a little bit of cash each year...the Planning Department does appropriate some cash for smaller projects, also to help match some of our grant funding. The Piscataquog Trailway is the Rail to Trail Project on the west side and we needed to match a grant from NHDOT and the \$35,000 in cash helped us to match 80% grants that we received from the State. At Livingston pool and bathhouse we received money to do the design and the Park Improvement Program has been set up in the past just to help us initiate smaller projects within the park system that we can't get to such as fencing, irrigation projects or to help finish off some of the larger projects and then lastly, the Hazard Tree Removal Project is a new project initiated this year to help us address some of the problems with trees throughout the City. The Trailway...that project was put out to bid last summer and construction began in the fall. It's going to be a quarter-mile paved walkway from I-293 to South Main Street, the new pedestrian bridge over Second Street and there will be lighting with benches and landscaping. This was the ground-breaking...Mayor Baines came out for the ground-breaking and these are the engineers from VHP who are working on the project with us and this is taken right at Second Street where the old granite abutments are and the new pedestrian bridge will span Second Street and that should be installed in July. We had some volunteers come out this past summer from an Air Corps that helped up clean up the trail, so I think it will be a great amenity and be an asset to tie

in with the Riverwalk projects that are going on on the east side. Over at Livingston Park we did receive the money for...

Alderman Thibault interjected just one question. Ron, how do they expect to cross Main Street.

Mr. Johnson replied Main Street is the next phase of the project. So, right now, we're just going up to South Main Street and that will be the next portion, so we haven't gotten into the final design and detail at this point. At the Livingston Pool we had a community meeting this past December, we're currently working with the consultants with that and it is going to be proposed in our new CIP budget for this coming year for the construction and we would propose that to happen in September of 2002 through next June of 2003. These shots are taken...Livingston pool is close to 70 years old, we have a lot of problems with it. Every year we cross our fingers when we go to open it up. This past year we've had a lot of leaking and staining water and rust coming up from the bottom of the pool. In the bathhouse the slide on the right shows the condition of the bathhouse, we really need to reconstruct everything. Ron asked us to put this slide in...this actually was taken seven years ago...that's Clem Lemire in the center of the pool. Even back seven years ago we were having problems trying to get it repaired, so it's been patched and it's really time to reconstruct that, so we are currently working on that project. The Park Improvement Project, as I've mentioned, helps us to complete a color-coding projects for schools, park areas, fencing projects, irrigation projects...we also use some of that funding to help us complete some of the work at the new state park that opened this summer and then the Hazard Tree Removal Project we just started this this past...

Alderman Thibault interjected, Ron, one more time please. The Rock Rimmon Pool is that slated to be renewed also and when.

Mr. Johnson replied the Rock Rimmon Pool...are you referring to the Raco Theodore Pool...

Alderman Thibault stated Dupont Pool, I'm sorry.

Mr. Johnson replied Dupont Pool...we did renovate Dupont Pool about 10 years ago, so that one has been completed but Raco Theodore Pool which is located on Head Street is scheduled to be renewed. Quickly, we put the Hazard Tree Project out to bid this past January and it's helping us to address some of the problems with the older trees and the older neighborhoods in Manchester and lastly, I'll just go quickly through the Recreation Enterprise Fund...is that portion of the department where the revenues that are generated to do the improvements, these projects are bonded separately and probably the biggest

one we had this past year was McIntyre Ski area with the new Tubing Park, training area, snow making and this past year we did some more improvements at the Derryfield Country Club and then at the JFK Coliseum. This slide shows the new snow making system off to the right that was installed this past year. All the new piping was done...this is a shot of the new Tubing Park that just opened a few weeks ago which was completed this fall and at the Derryfield Country Club we had improvements to several of the greens and tees at the country club, so the Recreation Enterprise Fund...those bonds help to make the improvements at those facilities and this is the last shot over at the JFK Coliseum...we've been doing gradual improvements for lighting, the refrigeration system was done in previous years and just this past year the dasher boards and the glass were installed. So, with that I guess we will see if there are any quick questions that we could answer.

Alderman Forest stated I didn't see anything slated for the Piscataquog Park area, but are the softball fields at the West Side Arena eventually going to be included in some of these funds that you're going to be collecting.

Mr. Ludwig replied again the idea of the presentation tonight was to...what you've seen here tonight, Alderman, is strictly what we've been doing since last April or a continuation of a project. Projects that will be coming forward we have identified, submitted to the Mayor who will deal with those and typically we try to get everything on a wish list, so it could be somewhere on that list.

Alderman Forest stated there are some concerns with both the Softball Park and the Little League Park about seeding and grass and all of that.

Alderman Thibault stated, Alderman, I would just like you to know that if you call Ron Ludwig or Ron Johnson, as a rule if you have a problem with a park out in that area they will do their best to help you with your problem, whatever the problem is. They've done that in the past for me and I'm sure that they will do it for you as well.

Mayor Baines stated I think I'd like to make a general comment. The Board of Mayor and Aldermen should be very proud of the commitment that is being made to the parks and playgrounds and other recreational facilities across our community. I know a lot of the Aldermen have worked hard and we have made an effort from our office to support these projects because we realize how important they are to the neighborhoods, so thank you very much for the update and I'm sure the people at home enjoyed seeing it as well.

Alderman Forest stated I know Ron does a lot of work, in fact, he was out this summer at Dupont Pool with boots and dungarees and an axe and a saw, so I know how he puts his time in, so I just want to thank him for that.

On motion of Alderman Pinard, duly seconded by Alderman Osborne, it was voted to recess the regular meeting to allow the Committee on Finance to meet.

Mayor Baines called the meeting back to order.

OTHER BUSINESS

8. A report of the Committee on Finance was presented recommending that Resolution:

“Authorizing the Finance Officer to effect a transfer of up to Thirty Thousand Dollars (\$30,000) to Highway and up to Twenty Six Thousand Dollars (\$26,000) to Welfare from Contingency for New Horizons for French Hall.”

ought to pass and be enrolled.

Alderman Thibault moved to accept, receive and adopt the report of the committee.

Alderman Wihby duly seconded the motion.

Alderman Gatsas asked do we have any numbers of how many people we’ve had there since January 1st.

Commissioner Martineau replied it’s been running roughly about 24 to 28 individuals going there. We haven’t had any families there...Louis Craig and I were talking to different agencies and we were told that there are always families out there without any place to stay and that hasn’t been the case. The individuals that are going up there are taking a shower at New Horizons, getting a hot meal at New Horizons before they go there. The set up over there is that they have a room where there’s coffee and different snacks, they have a TV and VCR and can show movies, they have books...as a matter of fact some of these people prefer to be there because it’s quieter than sleeping on a mattress in the kitchen over there. They’ve been running, the last couple of days, the new Executive Director told me 150 people. So, the overflow is going over there and there’s about 24-28 and they hand pick these people so that they’re not the ones that have problems and luckily for us we have them because otherwise the Welfare Department would have to be taking care of these people.

Alderman Gatsas asked is that 24 people per day or per week.

Commissioner Martineau replied per night, yes.

Alderman Forest asked, Commissioner, how long is this program...I know this money is going to cover the program there, but how long is this going to last at French Hall.

Commissioner Martineau replied what we did...I think I indicate on there till the end of March and obviously if the weather is cold and it continues we might keep it open for a few more weeks, so at least we'll get them out of the cold.

Alderman Forest stated this is not going to end up as a permanent base.

Mayor Baines stated no, around April 1st.

Alderman DeVries in reference to the letter from Tom Arnold stated it sounded like we took a look to see if we would be eligible for any grant monies and it's indicating that because we don't take referrals up there from other municipalities that there's no eligibility.

Commissioner Martineau stated that is correct plus it's not a permanent either. It's open at five o'clock and closes at eight in the morning. So, it's not a permanent shelter and it doesn't qualify for grant money.

Alderman DeVries stated not only would you have to have people coming from other towns, but it also has to be permanent to be eligible, is that what you're saying.

Commissioner Martineau replied I believe so, yes.

Alderman Shea asked as far as capital costs are concerned have you been running into any additional costs other than the housing.

Commissioner Martineau asked in reference to French Hall.

Alderman Shea replied yes.

Commissioner Martineau stated no basically they have had the staff up there (New Horizons), it's been a staff cost. For the three weeks that it's been there I think if you look in my letter that I indicated what the cost would be roughly based on a weekly basis.

Alderman Shea stated that was for the support staff but as far as the heating and maintenance.

Commissioner Martineau stated the heating was going to be taken care of through Frank Thomas, I believe, they appropriated additional money to take care of the lighting and the heating.

Alderman Shea stated so that is what the other \$30,000 is going to cover, thank you.

Mayor Baines called for a vote on the motion to accept the committee report. There being none opposed, the motion carried.

Resolution:

“Authorizing the Finance Officer to effect a transfer of up to Thirty Thousand Dollars (\$30,000) to Highway and up to Twenty Six Thousand Dollars (\$26,000) to Welfare from Contingency for New Horizons for French Hall.”

On motion of Alderman O’Neil, duly seconded by Alderman Lopez, it was voted to read by title only and it was so done.

Alderman Lopez moved that the resolution pass and be Enrolled. Aldermen O’Neil duly seconded the motion. There being none opposed the motion carried.

9. Communication from Alderman Garrity requesting that the Board ask the Board of School Committee to either unfreeze approximately \$482,000.00 allowing that it be expended for SCIP projects chosen by the School Board, or be turned over to the City as unused funds for projects not completed. (Note: response from School Committee Members Stewart and Donovan enclosed.)

Mayor Baines stated I know we have some members of the School Board here and I would ask Vice-Chairman Stewart to come up and Finance Chair Donovan to address this issue.

Vice-Chairman Stewart stated Committeeman Donovan and I are very pleased to be here tonight to address Mr. Garrity’s issue and the reason we’re here is the buck stops with us. So, we’re very happy to speak to you board-to-board and answer whatever questions you have. The situation is this...that the general fund of our budget there is an item in there for maintenance that was appropriated last year when the budget was put together and Alderman Garrity has a concern that we have frozen those funds. We have addressed in

the memo to your Board the fact that those funds have not been frozen but rather we are prudently looking at all of our expenses at this point and carefully monitoring them and at this point in time there is a slow down in several budget areas including this maintenance fund.

Mayor Baines asked could the Finance Chair talk specifically and explain some of the issues that are confronting the School District right now that caused this slow down.

School Committee Member Donovan stated, for instance, we are projecting that our employee benefits account will be \$537,000 over budget by the end of the year which is caused because when we made our budget it was based on some projections we had received...as it turned out the premiums are going to be higher from Blue Cross so our projection is we're going to run \$537,000 extra dollars on that. Another account is transportation for student services...that's for Special Education...that is an account that's difficult for us to accurately project and we're probably going to run \$250,000 over on that account this year which is based upon the needs of individual students. We have a legal obligation to transport them and the transportation is expensive. We also...on the salary account have some overage and that relates to a couple of items...some increases in the number of substitute teachers we've had to use this year as well as some grant funds that we were counting on from the prior year that haven't and we have to account for those in this current year. So, we have a number of challenges on the expenditure side that we are trying to deal with. We do not want to end up in a deficit situation on June 30th. We, members of the School Board, were elected not to run up a deficit and so our Finance Committee and our School Committee is going to slow down spending in several line items...one of them is the maintenance projects, the so-called SCIP funds, we're also slowing down on several other accounts until we have a better handle on where we are. We looked at this account last night at our budget meeting and we are going to look at it again at our March Finance Committee meeting and to see where we are. There is nothing more we would like to do than to spend all of that maintenance project money, all of the \$964,000...at the moment between what we've encumbered and what we believe we will spend we're up to \$586,986...that would leave \$377,000 but at the moment we aren't planning on spending until we know better where we're at. We have a number of challenges and we want to go slow until then. Thank you, Mayor.

Alderman Garrity stated the reason I brought this issue up is it's been noted that during the budget process last year on this Board, the Board of Mayor and Aldermen appropriated \$964,000 more to the School District budget with the understanding that it was to be spent on building maintenance. There was a good faith effort from the School District...yea, we're going to spend it on building maintenance...those funds have been frozen, but in the past the Highway Department had control over those funds and if they

were frozen, they were frozen but the money wasn't spent...the project's didn't get done, the money wasn't spent. I just have a couple of questions of Mr. Donovan, if that's okay.

Mayor Baines replied in the affirmative.

Alderman Garrity stated I was reading the local scrag here...the Finance Committee meeting last night...your Mr. Chapman stated that you're projecting \$600,000 in more revenue, is that right.

School Committee Member Donovan replied at the moment our projections are that we will be \$600,000 plus...that is a surplus of \$600,000 on the revenue side which is the good side...most all of that relates to additional tuition from high school students from area towns.

Alderman Garrity stated okay, so if you spent the entire maintenance budget you'd probably estimated run a deficit of \$325,000 maybe.

School Committee Member Donovan stated on the expenditure side...if we were to do that...actually, at the moment, we're projecting a \$51,000 balance remaining on the expenditure side. So, we would roughly be at a \$325,000 deficit, correct. Unless...and one of the potentials we may request from the Board of Mayor and Aldermen the authority to expend some of the projected surplus on the revenue side, but we're not prepared to do that. We think we need an extra probably two months before we can make a decision on where we are before we would even consider asking for that.

Alderman Garrity stated a question for Kevin, I guess. Kevin, if the School District has \$600,000 in more revenues, what is the process, do they have to come back in front of this Board for an appropriation.

Mr. Clougherty replied that is right, they would have to come back before the Board.

Mayor Baines stated there is a process that's outlined in the Charter.

Alderman Garrity stated it just seems to me that if the maintenance project's are done and with their estimated surplus in revenues it seems to me like the maintenance projects can get completed...that was the understanding when the \$964,000 was added into their budget and I'm just trying to be sure that the maintenance projects get completed.

Alderman Shea stated I think what Alderman Garrity is referring to would be the notation that was noted by the Finance Committee Chairman Cook at a meeting that was held on

6/11/01 of the Board of Mayor and Aldermen and at that time Alderman Lopez stated I plan on voting the \$115 million...you as Chairman of the Finance Committee, will you be recommending that maintenance that has been presented to you given to capital projects to Frank Thomas so that he can complete this. School Committee Member Cook replied "yes, Sir, and to confirm what Mr. Thomas said we've processed...we're using the process we've used for several years. In all of the years that I've been on the Board, but especially since Mr. Thomas' department has been in charge of maintenance has been very collaborative. They have been included in our budget process, they've sent a representative to the Building & Sites Committee on which I do not sit. Regularly, we talk about projects, we agree upon projects, we prioritize projects, we're on the same page on the projects and we haven't had a great deal of any controversy about it. They sit down, they prioritize the projects and come up with it." In essence what he said was they were going to use that money specifically and only for the school maintenance and when Mr. Tanguay was here discussing it the proposal was made to him by me that if you run over in your budget that you have the prerogative to come back to the Board and say look, you didn't give us enough money, therefore, we cannot run the school on the amount of money that you've given us. Therefore, we need more money. The Welfare Department has come back, they've run out of money, they've come and they've said look we're \$1.5 million short, we're going to need more money. The School Department is in that same position. In other words, that's where the difficulty rests. When some representative from your Board says we're going to use this money specifically for this purpose and then it comes back to us that they're not using it then there's a little subterfuge involved and that's where obviously people pick this up and they begin to pick on the school...as it were the School Committee Members and that really is the essence of the problem So, somebody shouldn't come before the Board and say they're going to do one thing and not do it. It's not for you, in this case because Mr. Cook was the one that was sitting where you are.

School Committee Member Donovan stated thank you, Alderman Shea, and that's a valid point. I have talked to Mr. Cook about this issue and I have looked at the minutes, I have them in front of me from that June 11th meeting. All of you are aware as Alderman Gatsas was at that same meeting where he made the comment that once the money is voted it's voted and it goes to the School Committee and these transfers can happen. But, we may come and ask for the ability to use some of that projected surplus. We think it's too early for us to do that. I wouldn't want to be in a position to ask you twice, frankly. So, if we ask to use part of that \$600,000 we only want to ask once and whether that's in March or April we'll have a better handle on where we're going to be then.

Mayor Baines stated it would be fair to say it may not happen at all as you monitor expenses and maybe actually be able to release that money.

Alderman Shea stated I'm being the devil's advocate for the school principals...they come to you with a list of potential problems existing within their buildings...\$7,000 should go to repair a certain radiator situation at Hallsville School, it's been there forever. Some child may burn themselves and then there's going to be a problem. So, what I'm saying is that the City itself if they're asking principals why there should be money spent for maintenance within the buildings then there has to be that kind of a priority on the part of the School Board members and not disregard and say we can hold this off and use it because maybe you may be pennywise but point foolish in the long run, that is all I'm saying as a follow-up.

Alderman Wihby stated Alderman Garrity is absolutely right as far as this money goes. This money was set aside...in a normal process we wouldn't have put it in the budget, but it was set aside with the agreement and he lists in his documents the items that we all agreed that were going to be done and we sat here...I think it took two meetings with Frank Thomas and we wanted a list before we were going to vote to make sure that those items were done. We talked about coming back and using the surplus revenues...my understanding was that the agreement that we came up with with the School Board was that some of that was supposed to be used to reduce the deficit and if I look at the operating statement that was passed out on January 16th...your last statement...the Finance Committee Operating Statement for January 9th...and if you look at the revenue total that you have there and say there's budget variance and you're anticipating \$468,000 more in revenue...I don't know if you have that sheet...

School Committee Member Donovan stated actually I'm working off of a more recent sheet...we have a January 24th sheet that we used last night at our Finance Committee meeting.

Alderman Wihby asked what is your total revenue number that you're using on fiscal 2002 budget, is it that \$84.635 million still; that is what you're telling us that you represented to us in the budget process, that you were going to bring in for revenues, is that \$84.635 million, is that how I read that statement.

School Committee Member Donovan stated that is right, that was in the budget.

Alderman Wihby stated when we adopted the budget on June 11th the number is, if I want to take out the revenues from the School Food, that number should be \$85.708 million. So, in looking at that you're \$600,000 short in revenue, not four or five hundred thousand dollars over...the fiscal 2000 budget appropriated that we said you were going to have for revenue was \$85,708,313. Now, I don't know how this number is in here but at the end

of the year you're going to ask to spend money that you don't have because the revenue number was increased on our side on June 11th. You're still going by...looks like the revised School budget on 5/31...you agreed on the 6/11 number with a letter from the Superintendent increasing those numbers...there were three or four different numbers that were increased...actually, in the Mayor's number, it's no different than when the Mayor presented his budget and that's almost a million dollar swing that you're looking at that you say you have over and we're looking at you're under. The fact of the matter is you don't want to, you want to be prudent with spending and you want to look and sort out things and I commend the Board and maybe you're going in the right direction, but I see you still hiring new human resource people that we've offered to let you use our people and not have duplication of services and you still have hired those people, my understanding is, still have not listened to this Board when we sent you letters saying use our people, but yet you want to come back and use the CIP funds and cut projects in the schools yet we could have extra people and we offered to use our people and save money. Explain that to me. I'm still lost with all of these numbers and the revenue numbers that you use and it doesn't look like you're still getting accurate information.

Mayor Baines stated aren't you glad I appointed you Chairman of the Finance Committee.

School Committee Member Donovan stated thank you and I wish that million were part of my salary because it's not for sitting here tonight. I think perhaps that the \$85 million figure that you're talking about is that the Board of Mayor and Aldermen assumed a higher revenue figure than we felt on the School Department as to what revenue would come in and that was part of the issue that we talked about in the fall where the State of New Hampshire looked at what the accurate revenue number would be. The School Committee always felt that the revenue number would be...the estimate was at the \$84.634 number and that doesn't include food.

Alderman Wihby stated we sent a letter to the Superintendent on June 7th asking for a response looking at revenue and expenses to make sure that he agreed with our numbers and he sent us back a letter saying we're going to make it work and we've always (the City side) has always used since June 11th, since the Mayor's budget actually...the Mayor had those changes in there...one of the biggest numbers was the interest income. You didn't want to use anything for it. The other one was...there was four or five different changes, but the big number was \$500,000. But, since June 11th we've always expected the School...if you take out that \$4 million for the School Food that you would be bringing in \$85.7.

Mayor Baines stated let me just clarify because I've talked to Wayne...the numbers that we used in my budget were numbers provided to us by the School District with the exception of the interest income because that has always been an issue and they never counted it and we just added the interest income, am I correct on that, Wayne.

School Committee Member Donovan stated I understand that, Alderman Wihby, but the numbers that were used when the forms were sent up to the State for purposes of setting the tax rate back last fall were based on the \$84.635 million number and that's the number that we're working off of and that's the number as to which we're \$600,000 estimated excess revenues will end up with at the end of the year.

Alderman Wihby stated the tax rate was based on you were going to get those revenues, we didn't believe you were going to have just that \$84 million.

School Committee Member Donovan stated the tax rate was based on the \$84 million figure.

Alderman Wihby stated, Kevin...

Mayor Baines interjected that's correct. Mr. Donovan is correct in that.

Mr. Clougherty stated when the Board adopted the budget it was based on the number that Alderman Wihby is talking about. As part of the tax rate setting process the School Department submits its forms to the State, the form that they submitted had the \$84 million that Mr. Donovan is talking about and the difference would have been made up in taxes.

Alderman Wihby stated right, so we raised taxes because you didn't want to accept the revenue number that we had projected that we thought was right on...only to raise taxes last year and then come back this year and raise taxes; that is all that was done. You didn't accept the revenue number so you raised taxes already rather than using the revenue number and see what would have happened this year. We played a chess game, you made the residents pay last year instead of this year coming up.

School Committee Member Donovan stated I don't think we're playing games.

Alderman Wihby stated well, it's funny, you're going to end up close to the same number that we thought you were projecting. We're already \$600,000, almost \$700,000 you're telling me, so we're only off by \$300,000 and there are still numbers there that are still missing that you don't even have on your side of this form. On that statement, you don't

have Drivers Ed still listed, you don't have Child Nutrition still listed on this statement that you're giving out that you're saying...

School Committee Member Donovan stated property taxpayers don't pay for child nutrition, so it wouldn't be appropriate to be on...it's not part of the general fund. There's a separate appropriation.

Alderman Wihby stated it's in your budget numbers that were used.

School Committee Member Donovan stated that's true but that isn't part of what the property taxpayers pay.

Alderman Wihby stated it's \$66,000 for Child Nutrition, it's \$63,000 for Driver Education...we included that in our number.

Mayor Baines interjected, Alderman, let the Finance Officer clarify please.

Mr. Clougherty stated I sympathize...Mr. Donovan is trying to do a good job here and I don't know how much experience he's had with this, so in fairness to him and his inexperience, I think...when the budget is adopted they do include for both budget purposes and tax rate setting the School Food & Nutrition as part of that bottom line appropriation, that was included as part of those items this year. There has been some discussion, I know, with the auditors over at School to take School Food out and make it separate going forward has it has been in the past which is probably a good idea, but that's not the way it was handled for this budget.

Alderman Wihby stated I guess all I'm coming from, Kevin, and maybe you can say if I'm right or wrong...if they're saying they have close to \$700,000 already over to us and they haven't included two items of almost \$125,000, so it's \$825,000 over to us...isn't it almost like we were expecting a million of that anyway. Weren't we expecting a million anyway when we set the tax rate. When we sat down with them and we gave them this sheet back in June sometime.

Mr. Clougherty stated there's no question that there's a difference between what was approved by the Board and agreed to by the School Board back in June and what was submitted for tax rate setting purposes. There's no question that the tax rate setting number was more conservative. As you move forward...

Alderman Wihby interjected which caused us to pay more taxes...raise more money by taxes.

Mr. Clougherty state that is correct.

Alderman Wihby stated they had adopted the revenues that we told them and sat down with them and projected that they were going to have which now looks like we're going to come pretty close. We wouldn't have had to have raised the taxes that much last year.

Mr. Clougherty stated that's right, but again, and I remind everyone that if you get to the point where there is going to be a request by the School District to expend some excess dollars that request has to come from the Mayor, has to be verified by our office and at that time we would want to talk to their finance people and go over that in great detail so that we can be certain that there is excess revenue and we would go through that at that time which I think is what Mr. Donovan was saying earlier is they're trying to get a handle on where they are and it's not unlike our side of the budget. We get better revenue numbers the farther we get into the year and I suspect that is what they're waiting for too.

Alderman Wihby asked what about as far as the proposal that we had in there...I thought they were going to use their fund balance to bring down the deficit. So, now they'd be going back on their word, they would not be paying back the deficit because they'd be using the money for the deficit this year.

Mr. Clougherty stated I would hate to say that they're going back on their word but the reality of circumstances may prohibit them from being able to contribute to buying down the deficit.

Alderman Wihby stated not only did we raise taxes last year but we're going to have to eat up what we assumed we were going to get this year to use toward fund balance.

Mayor Baines stated if that were to happen and they have said very clearly and I want to...Mr. Donovan and Mrs. Stewart...we all share some of the same concerns that you're reiterating...we're making a concerted effort to try to get the financial picture of the School District in order here...should there have been better projections, I think we generally agree there would be but they are dealing with the cards that were dealt them and they're taking some actions to try to protect the School District and the City, they're trying to be prudent about it and the reality of it is they may not come to us and ask for any additional money, they may be able to release that money based upon their review...they're working with a very competent auditor, Mr. Plodzik who is very straightforward in terms of these issues and again has made an effort with the Board to

try to get the finances of the School District in order, so we need to talk about some of the positive things that are going on as well.

Alderman Wihby stated we're always talking about the positive things but we always end up in the same position. We agreed to something because we think this is the last time we're going to be deceived and then we still get it, not matter which way we go. We sat here, we agreed we were going to spend this money. We agreed we were going to be in good standings with them, we were going to give them the money, we heard from School Board Member Cook and others that yes, we're going to spend that money on the needed improvements that we need and we're going to manage our budget the best we can and yet every time there's an instance that we've sent them messages on save some money, use our resource person, do this, do that all they do is thumb their noses to us and then come back and expect us to agree that we're going to let them have that money. No way, your Honor, they should be spending the CIP money on the operations of the schools, they should be doing it from within their expense budget rather than doing it from the other side, from that \$964,000.

Mayor Baines stated I think we all generally agree with that.

Alderman Smith stated, Tom, I'm very concerned for the simple reason...I'm the new kid on the block, this is my first year, but every year that I've been around it's always come to the school buildings...the conditions, the parents, the students...the teachers complain about the buildings. Now, this was allocated to your budget, I don't think you have any right to divert it, it's used for maintenance and if I'm concerned about it I think that what we should do is put it back in Public Building Services and Frank Thomas and then he can bill the School District. I'm very upset about this because of the condition of the schools are atrocious at this stage.

Alderman Thibault stated I'd have to agree with that. Do you know who really loses from this, is the people that pay the taxes. For years we've been telling them that we're going to take care of our school buildings and we are not doing that. Whether it's the School Department or the Board of Mayor and Aldermen there's somebody at fault here and I believe like Alderman Wihby just said right now that we have tried to come to par with this and say that the building...and I sit on the Joint School Buildings Committee and to see that this money is going to be taken out of here this year, I'm going to be really upset. I believe that money belongs there and, your Honor, I would like to see to it that we bring that money to this committee. We need to refix our schools, our schools are really in bad shape and it is because we have...according to Alderman Wihby let some of this go in the last couple of years and we're not taking care of it and I would certainly

support a motion to make sure that that money stays in the Joint School Buildings Committee and that Frank Thomas and his people take care of this.

Alderman Lopez stated I think that everybody is correct in this whole situation. I think that the Chairman of the Board appointed four Aldermen and four School Board Members, I think I share their concerns with Alderman Wihby and the rest of the Aldermen about the maintenance because one of the things that everybody tells the Aldermen...give them more money, give them more money for maintenance and that's what we've done in the last two years. So, without repeating what the other Aldermen said I really believe that this should be a solution for the committee to really look at and come from the committees that were appointed by the Board to come back to both respective Boards and let's get the maintenance done in the schools...that's a major problem. How we deal with the other problem if we have excess revenue and all that is a whole different issue. If we attack this as one problem get the maintenance done and we'll worry about the other problem.

Alderman DeVries stated the original appropriation, I believe, it was something in the neighborhood of \$964,000. Of that, you've already expended approximately two-third's, if I remember.

School Committee Member Donovan stated we've expended or encumbered \$490,000 roughly and we have another \$100,000 that we have set aside for emergencies. So, that leaves \$377,000 that we're holding on at the moment.

Alderman DeVries asked with that amount you have contracts also that you, I believe, in your letter had indicated you were holding off on initiating some new contracts but you felt that you would have plenty of time to determine without...and still get things done within this fiscal year.

School Committee Member Donovan replied yes that's correct, Alderman DeVries, we understand that we still have time if we look at this in March and we feel that there is some money available we still can get these projects done in the spring. We understand that there is still time. But, we're not going to do that until after we take another look in March and if there is money available we will do that, but only if there is money available.

Alderman DeVries stated in the \$100,000 that you put aside for emergencies what exactly do you mean by emergencies.

School Committee Member Donovan replied the sort of thing that Alderman Shea was talking about...a safety issue if there's something that is immediate we're going to do it.

Alderman Osborne stated I just had a couple of questions here on the improvement projects themselves. How do you get to choose which ones you're spending on and which ones you don't here. I see a lot of blanks here with no money spent...one of them for \$35,000, different schools for different problems. How do you choose these different...

Vice-Chairman Stewart replied the Building & Sites Committee of our Board looks at those items and makes those decisions. Obviously, life safety issues always come first before anything else and I'm glad that Committee Member Donovan answered Alderman Shea's concern because that is always our concern.

Mayor Baines stated priorities are always established by a committee of the Board.

Alderman Osborne stated on some of these you haven't spent any money at all on...like lining the pipes or covering radiators which can be hazardous.

Vice-Chairman Stewart stated the items have been looked at and referred to the committee.

Alderman Gatsas asked, Kevin, for every million dollars on the tax rate what is that equivalent to.

Mr. Clougherty replied about nineteen cents (\$.19).

Alderman Gatsas stated I understand the quote because I made that quote to this Board when we were dealing with the \$114 or the \$115 million and I specifically said that once we give it to them we shouldn't complain where it's going. My feeling was that we should hold it on to the City and certainly, Mr. Donovan, you weren't there and I made that statement so maybe next time when we're looking at the SCIP fund in this year's budget we will have a different allocation process.

Mayor Baines stated, Alderman, just to remind members of the Board when I presented my budget I did have it separated.

Alderman Gatsas stated I think, your Honor, I was the only one that brought it up that once we gave it to them...

Mayor Baines interjected you're correct on that...

Alderman Gatsas stated it was gone...

Mayor Baines stated we originally presented it as a separate item...

Alderman Gatsas stated my suggestion was that we hold it at the local level, at the City level with Frank Thomas and get that work done. The increase in your health insurance...is that because you went from a self-insured fund to a fully-funded program.

School Committee Member Donovan replied I am not the right person to answer that frankly. I know that the problem was with the rate increase percentage was higher than what we had budgeted and I don't want to give you percent numbers because I'll get it wrong.

Alderman Gatsas stated maybe Ginny can answer...are they still on a self-insured plan.

Mr. Lamberton, Human Resources Director, replied I don't believe so. They're separate from us on the health insurance.

Alderman Gatsas stated I understand but have they gone to a full-funded plan on their side or are they still self-insured.

School Committee Member Donovan replied I do know that it is \$100,000 self-insured per employee.

Alderman Gatsas stated so you really don't know what the cost of the health insurance could be.

School Committee Member Donovan replied correct, that's right, but we rely on the Human Resources Department to some extent and then obviously when there are risk analysis that you go through...but, the base premium that the employees pay is based...we get that from Blue Cross and that's based on the expected needs and that premium came out, as I understand it, in July of 2001 after we had set the budget and it was at a higher level than we had set the budget at in June.

Vice-Chairman Stewart stated if I might add the other issue is that we've been told that many more employees took the full benefit...family plan as opposed to single plan or not taking the benefits at all than were expected.

Alderman Gatsas stated so basically you could have a deficit just based on the health insurance because you don't know what the projection is at this date.

School Committee Member Donovan replied we do have a projection and our projection for year-end is \$537,336 that we will be over on that account.

Alderman Gatsas stated that's based on premium.

School Committee Member Donovan replied I can't answer that right now, Alderman.

Mayor Baines asked did that figure come from the auditor, Mr. Plodzik.

School Committee Member Donovan replied Mr. Plodzik reviewed these numbers. These are internally generated numbers from the School Department but Mr. Plodzik did review these before last night's meeting.

Alderman Gatsas asked, Kevin, when we set the...when the DOE 25 went to the State what was the date of that that we set the tax rate.

Mr. Clougherty replied I can't tell you the exact date, Alderman.

Mayor Baines asked, Mr. Tellier, do you remember the date that we set the tax rate approximately.

Mr. Clougherty replied mid-November.

Alderman Gatsas stated at that time, I believe, we saw some financials that were sent to us on a regular basis that didn't show any sort of deficit in health insurance. Is there a reason why we didn't see that.

School Committee Member Donovan replied I can't answer that.

Mayor Baines interjected he wasn't a member of the Board at that time, of the Finance Committee.

Alderman Gatsas asked is there anybody that can answer that question.

Mayor Baines replied not at this time.

Alderman Gatsas stated, your Honor, we're hearing numbers about numbers today that just didn't happen over the last two months and I can appreciate that the Finance Committee wasn't privy to that. But, if we increase the rate to the taxpayers by \$.19 per thousand, I think it's unfair that we took that money on the front end and nobody is saying to us when they understood that the health insurance costs in July were increasing by \$537,000. At that point, they had to be in a deficit at that time because we didn't fund that much money. So, somebody should have said when they got their budget in July, guess what, we have a problem because health insurance just went up by \$537,000. Somebody should have said that immediately. I guess I'm a little perplexed at why it took so long for that deficit to show up when it had to have happened in July.

Alderman Garrity moved that the Board formally request the Board of School Committee to unfreeze approximately \$482,000.00 and allow it to be expended for SCIP projects chosen by the School Board, or be turned over to the City as unused funds for projects not completed.

Mayor Baines stated I believe the correct number is around \$377,000.00.

Alderman Garrity stated but they haven't spent that \$100,000 yet, have you.

Vice-Chairman Stewart replied no we're holding it in reserve for emergencies.

Alderman Wihby duly seconded the motion.

Alderman O'Neil stated I, too, am very concerned about this item. I've been criticized in the past for not making enough of a commitment to our school facilities. But, the past is the past and it hasn't been good between the Board of Mayor and Aldermen and the School Board. This is a new year, there are new members on both Boards and I'm willing to give Ms. Stewart and Mr. Donovan and other members of the School Board a chance to get the School District's fiscal house in order and then continue on with the maintenance program as outlined.

Alderman Shea stated I hate to differ with my colleague but I believe the money should be spent in terms of the maintenance, but I do believe that the School Board or the School Department should put the Board of Mayor and Aldermen on record that if there is a deficit that you come before us and that you present the reasons why you have this deficit and that the Board of Mayor and Aldermen because of past precedence in fulfilling different overruns as far as other departments are concerned, we take a serious look, we would say that is honesty, you are treating us honestly and we will treat you honestly...at least I speak for myself in that regard. But, I do believe that when a commitment is made

by a member of the School Department or the School Committee Member (excuse me) and that person indicates to us that all the money that we are allocating is going to be used for the maintenance of schools then that is where it should go and I'm of that opinion.

Alderman Guinta asked, Tom, what's the alternative.

School Committee Member Donovan replied an alternative is to give us another month to see where we are, frankly.

Alderman Guinta stated, for example, if we vote on this now...

Mayor Baines stated it has no meaning in reality, it expresses the desire of the Board.

Alderman Guinta stated I understand that but I do have a question. If we vote on Alderman Garrity's motion, I recognize that it has not formal meaning, so if we do vote on this and it does pass [hypothetically] how is the School Board then going to handle that vote.

School Committee Member Donovan replied that is actually an interesting political question because it may have the opposite effect as to what you want. There are six new members on the School Committee and I think there is a sense in the School Committee...we want to move on from the past disagreements with the Board of Mayor and Aldermen, we want a new beginning and we're trying to do that in various ways including sending over a draft budget to the Mayor as opposed to a final budget and we're trying to talk better with the Board of Mayor and Aldermen and we hope this is an opportunity. If you tell us to do something the natural reaction of a number of School Committee members would be to do the opposite, so I think it may have a negative effect even though...we certainly will listen to whatever you say and take it in carefully but I think it may serve to continue a fractious relationship between the School Committee and the Board of Aldermen and that is something we would like to put behind us.

Alderman Lopez stated this is very complicated between the Aldermen and the School Board, I totally agree with you, Tom. I would ask...we have suffered for the last two years and maybe we're on the right track, maybe we're not, but I think it would be fair play if we gave them thirty days to come back to us and let them try to solve the problem that could not be solved by people that we're paying thousands of dollars for.

Mayor Baines stated you have two options available to you...you can vote this down or move to table.

Alderman Lopez moved to table the communication from Alderman Garrity. Alderman Pinard duly seconded the motion. A roll call voted was taken on the motion. Aldermen Wihby, Gatsas, Guinta, Shea, Garrity, Smith and Thibault voted nay. Aldermen Sysyn, Osborne, Pinard, O'Neil, Lopez, DeVries and Forest voted yea. Mayor Baines voted in the affirmative. The motion to table carried.

Mayor Baines stated I believe at this time that they should be given another thirty days to work on this issue and to come back to the Board. This Board has made a commitment to get the financial house in order at the School District. I have the same kind of frustration as the Vice-Chair knows, I've expressed this to the School Administration and to the members of the Board that this was a commitment that was made in my original budget. If you remember I set it aside as a separate item, a decision was made which we all were part of with the caveat put forth by Alderman Gatsas that ultimately we knew the authority would rest by the Board, however, I feel a good faith has been broken here, but I do appreciate the efforts to get the financial house in order. I do want to make one further comment because I believe the administration of the School District budget should have started with the promise that that \$1 million [approximately] was set aside for the sole purpose of maintenance and that should have gone ahead and the rest of the budget should have been managed by the Administration of the School District to reflect that. That did not happen, a new day is dawning, we're working together to resolve the issues of the School District and I commend the Chairman and the Vice-Chairman of the Board of their efforts to bring some financial stability and integrity to the School District and I support you in that effort.

Alderman Shea stated I would like to recommend to both members here that on the 25th there is a meeting between the members of the Board that have been appointed by Alderman O'Neil and the School Committee members and I think at that time it would be advantageous for both groups if some sort of a progress report in this regard were presented to that particular committee.

Vice-Chairman Stewart stated we have a concern about that day as I e-mailed you earlier today and we need to talk about that but we would be pleased to give you an update soon. I'd just like to end our comments by saying that educating our children is our number one priority on the School District side and direct student services including textbooks, materials, teachers...have always been and will continue to be the number one priority for the School District. Having said that, we understand that there issue with the maintenance and we're going to do everything within our power to get the School District's budget in order and address those maintenance issues as soon as possible and we're doing the best we can and we're trying to work with you and that's what we'd like.

Alderman Garrity stated one month from now when we are going to have an update, I would like it in front of the full Board and could we possibly get Mr. Chapman here too. I formally requested that Mr. Chapman or Mr. Tanguay to be here tonight and they're not here. I think on some of these numbers and such...no disrespect to the Board members, but they're the staff and I think they probably could help us out a little bit more. So, I would like the presentation in front of the whole Board...not the committee.

Mayor Baines stated all he asked for was an update at the meeting. I think it will come back to the full Board and we'll make every effort. They wanted a month.

Alderman Wihby stated it's tabled for two weeks and it might come up again.

Mayor Baines stated it might come up again, but the intent was to give them a month.

Alderman Thibault stated I certainly don't question the integrity and the honesty of these two people sitting here in front of us. The point is that this Board has been led down that road so many times that maybe this is where the question comes in and I commend School Committee Members Stewart and Donovan, but I've got to say that this Board has been led down the pike so many times with promises that have not been kept that maybe this is why we are skeptical and I agree with all of the Aldermen here tonight that are willing to give you a chance to come back and let us know where things are at...and my problem, like I said prior to this is to make sure that the commitments to the schools that we have made that have been let go for 25 or 30 years are starting to get back on track.

Alderman Wihby stated in the paper is said something about...and I don't know who said it, the auditor or something about you wanted to have money to set up reserves, is that anywhere in these numbers that he's calculating that he's going to have a reserve number in here.

School Committee Member Donovan replied that was a reference to our auditor's presentation and a recommendation in our next year budget [2003] that we have reserves and we are planning to put reserves into next year's budget.

Alderman Wihby stated we're not carrying some of this for reserves, okay. Leo had scheduled a meeting on the 25th, I thought he had checked with the School side to make sure they could make it.

Mayor Baines stated no because I knew Mrs. Stewart was unavailable.

Alderman Wihby asked can we pick a date because this Board set a date of March or something to come back with a report.

Mayor Baines stated this is February 6th can't we meet before then, that committee should meet before then. Why don't we work on another date...maybe an earlier date, Leo, and we'll get back to the members of the committee. We'll work with committee member Vice-Chairman Stewart and Alderman O'Neil on that.

Alderman Gatsas stated in all fairness to Mr. Donovan, I think that being less than five weeks at the helm of looking at numbers from the first of the year, I think the next time...as Mr. Garrity suggested, I think that either Mr. Plodzik...is he a full-staff member of the School Department or is he...

Vice-Chairman Stewart replied he's not a staff member at all.

Mayor Baines stated he's the auditor.

Alderman Gatsas stated Mr. Chapman, I assume...

School Committee Member Donovan stated he's the Business Administrator.

Alderman Gatsas asked do you think he can possibly accompany you so that we can get some of these questions addressed rather than putting you on the hot seat, is that possible...in all fairness to you because not knowing whether it's a self-insured plan or not or whether the reserves are there, I don't think it's really fair to ask you those questions because obviously this was before you started and for somebody not to have told us that there was a \$537,000 deficit in July...

Mayor Baines interjected I can respond to that...it would be my request that Mr. Chapman be in attendance at the first meeting in March to follow-up on this and we'll make every effort to make sure that that happens.

Alderman Shea stated I didn't want to get into this area but I will anyway. It has to do with what you said, Mrs. Stewart concerning schools. There's no one on this Board that has a deeper and more profound interest in children's education than myself and I speak that for many years. The point is and I'm not sure if this is a contest, but please look at the middle school curriculum, look at it carefully. When we got that middle school in no one realized that kind of a creeping problem that will be. The elementary schools function very well, the high schools function very well, but the middle schools when they went from the junior high total, as far as I'm concerned, total chaos because there has

been unlimited expenditures there. Please examine that, look at the kids at that level because they go from the elementary self-contained many times, they go to the high school where they have time and the middle school is like “whatever”...it doesn’t seem to have the structural basis and, therefore, many of the expenditures that are being spent [in my humble opinion] are being spent at the middle school and until that’s examined, the curriculum and so forth and preparing kids for high school, I would say take a serious look and I’m sorry that I’m saying this, but I really feel deeply about it because you know that people appeared before you that wanted to teach pre-Algebra to kids...we don’t look at the kids that are gifted, talented or even have skills at the middle school. They’re being brought down, almost in a sense, to out come base education where we’re lowering the standards so much and you may hear it from the high school teachers that they’re coming in ill-prepared because basically they’re not on the same kind of wave length that the kids are. No criticism of the elementary, they do a wonderful job in my judgment...to Bakersville School, to Wilson School, to Beech, to Webster, to Smyth Road, to Hallsville...but, when they hit that middle school watch out because I don’t think that they’re going into the high school properly prepared. I’m sorry, but that’s my opinion.

- 10.** Communication from Leo Bernier, City Clerk, requesting that the polling hours for the Special State Election to be held on March 12, 2002 be set from 6:00 AM until 7:00 PM.

Alderman Sysyn moved to set the polling hours on March 12, 2002 for the Special State Election from 6:00 AM until 7:00 PM. Alderman Osborne duly seconded the motion.

Alderman Wihby stated yesterday, I guess I had the privilege of going around the different wards and towns in the District for this Special Election and I don’t think we saw 20 people that we could talk to that were going to vote. When I went to Derry, Derry was at one of the high schools, they had two locations, but in that location they had three or four different districts voting in that one location and they say that they do this...even actually for the Presidential, they do it all in one location. I’m just wondering if something like that can be set up for this election. There’s only one ballot and we could save a lot of money, your Honor, there was a number...it cost \$50,000 for the election...if we had one location that we could come to, have everybody go there...there’s not going to be a lot of voters if it’s anything like yesterday’s election. I know it works good in Derry, I don’t know what the problem would be of doing it here.

Clerk Bernier stated I think it’s a great idea, you’ve got my support...I’d have to look at the State Election Laws. We are considered...the City of Manchester is like 12 towns, so each ward has to act as a town. I’d have to check the State laws to see if we could do that.

Alderman Wihby stated what they had there were signs...you went in and they had District 3 here, District 4 here...you went to the one location and you checked in at different locations.

Clerk Bernier stated we would have to look for a location.

Alderman Wihby stated even if we had three, even if we had it at the high schools and had one on the west side at West High School and Memorial High School and either Central or someplace...

Clerk Bernier stated in the Election Laws there's a notification process and right now we're probably five weeks away and I think that the law says you have to notify the public, the Board of Aldermen like tonight [60 days]. So, I think we're going to miss that window. If you want to look at that direction for September and November we surely can.

Mayor Baines stated it's interesting because we raised that issue for the Primary...talking about one location I remember Leo came back and felt that the interpretation of State law would preclude us from doing that. Let's research it and come back to the Board.

Clerk Bernier stated I would be happy to and if we can do it for March 12th, I know that the staff of the City Clerk's Office would be excited.

Mayor Baines stated when I voted in Ward 9 yesterday afternoon...talk about the number of people working in the wards and the number of people voting.

Alderman Smith stated a point of information. I think you'll run into a problem with the handicapped and the elderly in transporting them and there could be a snowstorm and so forth and I think it's not going to be centralized if they have to travel two or three miles to vote.

Mayor Baines stated let's look into it and then we can come back to the Board.

Alderman Lopez stated I'd check with Bill Gardner...because of our Charter, the way it's spelled out...Leo's right the 12 wards specifies there's 12 towns...all the other towns and cities...we're considered 12 wards in a city and that's why. You can get the answer in ten minutes by calling Bill Gardner.

Mayor Baines stated let's do that and we can come back to the Board with some information. While we're on that subject, I was down in Ward 9 yesterday and there's a lot of concern of the workers down there about the shifting of the polling place. Who's decision is that to make. They preferred Blessed Sacrament Church Hall, more parking and they felt it was more accessible.

Clerk Bernier replied the Selectmen make the decision.

Mayor Baines stated that it what I said to the Selectman who asked me the question, I said that's your decision. So, I was correct on that, excellent.

Mayor Baines called for a vote on the motion to set the polling hours as submitted. There being none opposed, the motion carried.

- 11.** Communication from Joanne Shaffer, Deputy Finance Officer/Treasury Manager, seeking the Board's authorization to expend funds in the amount of \$16,150 from the EPD Replacement account for a Sodium Hypochlorite Storage Tank.

Alderman O'Neil moved to authorize expenditure of funds in the amount of \$16,150 as requested. Alderman Pinard duly seconded the motion. There being none opposed, the motion carried.

- 12.** Communications from both the State of NH, Department of Transportation and the US Department of Transportation, Federal Highway Administration relative to the Biron Street Project Multi-Family Residential Access to Pinard (AKA Kelley Street).

Alderman Wihby moved for discussion. Alderman Thibault duly seconded the motion.

Deputy Clerk Johnson stated the motion would be to either receive and file the communication or refer to the Planning Department.

Alderman Wihby moved to refer the communication to the Planning Department. Alderman Thibault duly seconded the motion.

Alderman Smith stated that's what I wanted to do. I've discussed this and I guess we have a problem.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

TABLED ITEM

13. Resolution:

“Authorizing Bonds, Notes, or Lease Purchases in the amount of
Three Hundred Thousand Dollars (\$300,000) for the 2002 CIP 810802
Revaluation Project Phase II & III Project.”
(Tabled 11/20/01)

Alderman Shea moved to review Item 13 from the table for discussion. Alderman Sysyn duly seconded the motion. The motion carried with Alderman Wihby duly recorded in opposition.

On motion of Alderman Shea, duly seconded by Alderman Sysyn, it was voted to read the Resolution by title only and it was so done.

Alderman Shea moved that the Resolution pass and be Enrolled. Alderman Lopez duly seconded the motion. The motion carried with Alderman Wihby duly recorded in opposition.

14. NEW BUSINESS

Mayor Baines stated there will be a Special Joint Meeting of the Board of Mayor and Aldermen and the Board of School Committee next Tuesday at seven o'clock at the Millyard Museum on Commercial Street to discuss the Schools Capital Improvement Projects for the next five to eight years. We will be outlining the project and asking for consideration of the Board and that information will come out to the Board, there will be a presentation by the Finance Officer and Public Building Services about the School Capital Improvement Program.

Alderman Shea stated I kind of picked up and I wanted Kevin to react to this...as you know, we all know we're paying for the Verizon Wireless Arena with Rooms and Meals revenues and so far there's a projected deficit of about \$4.3 million. Kevin, how does that affect our receiving funds from the State if there's a projected deficit of \$8 million or \$7 million.

Mr. Clougherty replied it's based on actual numbers. What may be happening is that the projection for Rooms and Meals...Rooms and Meals may be growing, but it's less than what was projected to be. So, the actual growth will exceed the amount to go into the fund to create the necessary flow for the debt. In the event that there is not sufficient funds for Rooms and Meals...as you know there's a bond reserve and there's insurance set aside to fulfill that purpose.

Alderman Gatsas stated there's a guarantee for '04 and '05...\$5 million the first year, \$10 million the second year in Revenue Sharing there's already a commitment by the State, so those funds are already in place up until '05.

Alderman Shea asked is there a deficit, Ted.

Alderman Gatsas replied that has nothing to do with the appropriations coming back to the towns and cities.

Deputy Clerk Johnson stated we have an addendum item that we had forwarded to the Board earlier which is a petition for formal acceptance of the dedication of Countryside Boulevard as a public street. The Planning and Highway Departments have reviewed the petition and have recorded no objections...the Solicitor's Office has also reviewed it and we have sizable maps now that clearly outline the section to be dedicated. The motion by the Board would be to accept such dedication of Countryside Boulevard, as petitioned, as a public street approving the name and grades as established.

Alderman Wihby moved to accept such dedication of Countryside Boulevard as outlined by the Deputy Clerk. Alderman O'Neil duly seconded the motion.

Alderman DeVries stated this is not a new road that's being constructed now is it.

Deputy Clerk Johnson replied no the Highway Department is already maintaining the roadway, it was something that has been developed in the past. It's not a new roadway coming up.

Alderman DeVries asked can anybody tell me if the road was built to specifications, so are we accepting a road that was built to our current road specifications.

Ms. Goucher replied yes, I do believe that everything is per the standards of the Highway Department. Frank Thomas is okay with this.

Alderman DeVries that the only thing that I noticed in it was it was indicating that the road varies in widths from the street reference, so that's not considered to be a problem.

Ms. Goucher replied no, it's not.

Mayor Baines called for a vote on the motion to accept. There being none opposed, the motion carried.

There being no further business to come before the Board, on motion of Alderman Garrity, duly seconded by Alderman Pinard, it was voted to adjourn.

A True Record. Attest.

City Clerk